

Umzimvubu Municipality gets a R26.5m informal trade investment

A R26.5m eMaxesibeni Informal Trade Infrastructure project that will benefit 150 informal traders was officially launched on Thursday, 18 April 2024, at eMaxesibeni (Mount Ayliff) in the Umzimvubu Local Municipality in the Eastern Cape.



L to R Alfred Nzo District Municipality Executive Mayor Vukile Mhlelenbana, MEC for Finance, Economic Development, Environmental Affairs and Tourism Mlungisi Mvoko, Umzimvubu Local Municipality acting mayor Councillor Inga Nodali and Eastern Cape Development Corporation executive manager for enterprise finance and business support Darwin Zinzile Nkonki at the launch of the eMaxesibeni Informal Trade Infrastructure project. Image supplied

At the launch of the project, the MEC for Finance, Economic Development, Environmental Affairs and Tourism, Mlungisi Mvoko said 84 informal traders have already been allocated trading space at the new eMaxesibeni Hawkers Centre. The informal trade infrastructure includes 24 formal lockup units, 36 semi-formal stands, 84 semi-informal spaces, vehicle repair facility, carwash facility, an ablution facility, a guard house as well as sanitation, water and electrical supply for these facilities.

“The Informal Trade Infrastructure is meant to promote economic and social benefits and to provide work opportunities to the community of eMaxesibeni. This is being achieved by providing dedicated and permanent infrastructure for informal trade and small businesses to conduct their business activities in a clean and safe environment. We appointed the Eastern Cape Development Corporation (ECDC), which is the infrastructure delivery arm of government, to implement the project on behalf of the Department of Economic Development, Environmental Affairs and Tourism (DEDEAT) for the benefit of the Umzimvubu Local Municipality.”

Job creation

“I am delighted that during the construction phase of this infrastructure, six local small businesses received contracts worth R2,4m for brickwork, plastering, paving and fencing in order to boost local economic development. A total of 57 jobs were created during construction, which included 23 youth and 30 women jobs. Materials such as sabhunga and sand worth R1 million were also sourced from eMaxesibeni,” said Mvoko.

Mvoko said the facility will be owned and managed by the Umzimvubu Local Municipality. It is envisaged that this facility will

become fully operational from today onwards.

“I am confident that government interventions such as this one will energise local economies especially those in rural and township localities. The intention is to create sustainable jobs and livelihoods, improved revenue generation as well as the alleviation of poverty in our communities,” Mvoko said.

Addressing infrastructural challenges

ECDC executive manager for enterprise finance and business support, Darwin Nkonki said construction on the project began in July 2021 and it was completed on 15 December 2023. The project attracted initial funding of R2m from the Eastern Cape Provincial Treasury in the 2017/18 and 2018/19 financial years and additional funding of R24,4m was secured from the Provincial Economic Stimulus Fund.

The Umzimvubu Local Municipality also contributed R1m towards the completion of the project. The Informal Trade Infrastructure will be managed by the Umzimvubu Local Municipality.

“The informal traders’ infrastructure at eMaxesibeni will go a long way to addressing infrastructural challenges. The provision of this economic infrastructure is an important mechanism for stimulating the economic potential of informal traders.”

“This is because we know the informal economy is one of the main pillars of economic growth in towns such as eMaxesibeni. This facility therefore aims to enhance economic and social benefits while also creating job opportunities for the local community. The dedicated and permanent infrastructure will also allow the informal traders to operate in a hygienic and secure environment. The facility has the capacity to accommodate up to 150 informal traders, thereby contributing significantly to the town's informal economy,” Nkonki said.

The acting mayor of the Umzimvubu Local Municipality for the day, Councillor Inga Nodali said the informal trade infrastructure is a fruition of months of hard work, dedication, and collaboration.

“These hawker stalls provide a platform for our local artisans, craftsmen, and entrepreneurs to showcase their skills, share their stories, and contribute to the overall economic life of the region. I therefore extend our sincerest thanks to the department for their steadfast support and tireless efforts in overseeing the construction of these new hawker stalls. This investment in our community's economic development has not only created tangible opportunities for local entrepreneurs, has also helped to enhance the vibrancy and vitality of EmaXesibeni as a whole,” said Nodali.

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